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STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS

1. TO: Chief Procurement Officer

2. FROM: Carlito P. Caliboso, B&F, Public Utilities Commission

Department/Division/Agency

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:

The Dept. of Business, Economic Development, and Tourism (DBEDT) has received and anticipates receiving American Recovery and Reinvestment Act of 2009 (ARRA) grant funds from the U.S. Dept. of Energy (USDOE). The purposes of ARRA are "to preserve and create jobs and promote economic recovery; to assist those most impacted by the recession; to provide investments needed to increase economic efficiency by spurring technological advances in science and health; to invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits; and, to stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases." State Energy Program (SEP) ARRA Formula Grants; Funding Opportunity Number: DE-FOA-0000052; Announcement Type: 002; CFDA Number: 81.041, State Energy Program. (SEP/FOA)

DBEDT has requested, via a Memorandum of Agreement executed by DBEDT and the Public Utilities Commission (Commission) on August 19, 2009, that the Commission assist DBEDT in distributing certain ARRA grants and funding programs pursuant to ARRA purposes, requirements, and conditions. The Commission plans on identifying Science Applications International Corporation (SAIC) as its designee to receive a portion of the ARRA grant funds described herein.

See attached. EEARP.

4. Name of Vendor: Science Applications International Corporation (SAIC)

Address: 3049 Ualena Street
Honolulu, HI 96819

5. Price:

\$~1.1 M

6.

Term of Contract: From: CPO approval

To: 2/17/12

7. Prior Exemption Ref. No.

10-027-D

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: Procurement by competitive means is not practicable or advantageous to the State because 1) the objectives and requirements of the Energy Efficient Appliance Rebate Program ("EEARP") ARRA grant funds align with the current scope of work in the Commission's current contract with SAIC; 2) the Commission's current contract with SAIC was procured for via competitive means, i.e., under Chapter 103D, Hawaii Revised Statutes (HRS), as indicated by its March 3, 2009 effective date; and 3) the Commission could not predict the recent notice and availability of the SEP ARRA grant funding opportunity. Given the reasons mentioned, procurement by competitive means will result in the duplication of effort and prevent the maximization of funds to meet the goals set forth by the ARRA and the USDOE.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

N/A

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
The Commission utilizes the Attorney General's template contracts. Therefore, the existing internal controls, vendor compliance document requirements, and approval process required for execution of Forms AG-002 Rev 07/24/2006, Contract for Goods and Services: Exempt, Small Purchase, Sole Source, or Emergency and AG-005 Rev 05/29/2009, Supplemental Contract, will be adhered to.

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Carlito Caliboso	Chairman	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
John Cole	Commissioner	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Brooke Kane	Administrative Director	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Wendy Takanishi	Acting Chief Researcher	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Phyllis Paik	Administrative Assistant	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: Budget & Finance
Contact Name: Brooke Kane
Phone Number: 808-586-2020
Fax Number: 808-586-2066

Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*


Department Head

JAN 11 2010

Date

Reserved for SPO Use Only

15. Date Notice Posted 1/21/2010

The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer
State Procurement Office
P.O. Box 119
Honolulu, Hawaii 96810-0119

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

Chief Procurement Officer's comments:

16.



APPROVED



DISAPPROVED



NO ACTION REQUIRED

Alan S. Fyfe 1/29/2010

Chief Procurement Officer

Date

Honorable Chief Procurement Officer
December 23, 2009
SPO-07, SAIC

No. 3 Continued

This request relates to the Energy Efficient Appliance Rebate Program (EEARP) ARRA; Funding Opportunity Number: DE-FOA-0000119; Announcement Type: Initial; CFDA Number: 81.127, Energy Efficient Appliance Rebate Program (EEARP/FOA).

The Commission recently executed a contract with SAIC pursuant to Chapter 269, Part VII, HRS, to be the Commission's Third Party Administrator for the Hawaii Energy Efficiency Program (HEEP), a.k.a., Public Benefits Fee (PBF), to, among other things, operate and manage energy-efficiency and demand-side management programs and services.

The EEARP objectives are as follows:

1. Save energy by encouraging appliance replacement through consumer rebates;
2. Make rebates available to consumers;
3. Enhance existing rebate programs by leveraging ENERGY STAR national partner relationships and local program infrastructure;
4. Keep administrative costs low while adhering to monitoring and evaluation requirements;
5. Promote state and national tracking and accountability; and
6. Use existing ENERGY STAR consumer education and outreach materials.

DBEDT intends to allocate EEARP grant funding to the Commission or its designee in an amount not to exceed \$1.2 million as approved by the USDOE for EECBG programs for Hawaii. Approximately \$1.1 million is planned to be allocated to SAIC and approximately \$17 thousand is planned to be allocated to the Commission's PBF Contract Manager, and approximately \$6 thousand is planned to be allocated to the Commission's PBF Fiscal Agent. Matching funds will be required for fifty percent (50%) of administrative costs for the EEARP grant.